



FOR CLERK USE ONLY

City Council

Item No. _____

CITY COUNCIL AGENDA FACT SHEET

REDFEVI OPMENT AGENCY

Department _____

NOVEMBER 17, 2009

Requested Date _____

1. Request:

Council Approval

Information Only/
Presentation

Other (specify) _____



Hearing



2. Requested Action:

Adopt Resolution approving the 2010 annual report of the Business Improvement District declaring the Council's intent to levy an annual assessment for calendar year 2010 and setting a public hearing for December 1, 2009

3. Fiscal Impact:

Revenue:

Increase



Source:

Business Improvement District

Decrease



Amount:

\$27,500.00

Cost:

Increase



Source:

Decrease



Amount:

\$

Does Not Apply



4. Reviewed By:

Finance Dept. on _____

By: _____

Comments: _____

City Attorney on _____

By: _____

Comments: _____

Note: Back up must be submitted along with this form. Deadline is 5:00 p.m., 2 Fridays before the scheduled meeting date.

CLERK USE ONLY:

CITY COUNCIL DATE: _____

Action



Filing



Consent



Presentation



Hearing



Other(specify) _____



Reviewed by: City Clerk _____

City Manager _____

Date _____

Date _____

REPORT TO THE CITY COUNCIL:
CALEXICO BUSINESS IMPROVEMENT DISTRICT (BID)

Prepared for:

Business Improvement District Committee

Prepared by:

Calexico Redevelopment Agency
Rosalind Guerrero, Director

November 17, 2009

HISTORY

Ordinance No. 990 (Exhibit A) established the Calexico Business Improvement District (BID) in which an annual assessment is to be collected at the same time and manner as the Business Tax License fees.

Ordinance 990 established the fees to be assessed and the boundary of the BID assessment is currently based on zones and the business category. The boundary and zones established are shown on Exhibit C. The categories established under the Ordinance are general retailers, restaurants, non retailers/service providers, and state regulated companies and specifies fees to be collected.

The BID committee appointed by the City Council continues to meet on a regular basis since February 2009 and has accomplished with the assistance of City and Agency staff, promotional events and advertising on behalf the BID. The events hosted by the BID include advertising in print, radio, and television media. Advertising provided by the BID promotes all businesses within the zone boundaries.

The following are the activities for the 2009 calendar year:

January	Health Fair provided health screening services by local health providers
February	Serie del Caribe promotion included banners along Imperial Avenue and flags along the Downtown district
April – May	Sponsored “Music in the Streets” with musicians providing musical entertainment in various sections of the Downtown district. Music in the Streets finale with a Mother’s Day raffle.
June	Historic Route 99 Car Show featuring the La Gente Car Club
July – August	Back to School promotions with 2 hours free parking
October	Halloween Thriller Night – featuring games, food, and entertainment Placement of portable restroom facilities in specific locations for customer use Sidewalks steam cleaning
December	Holiday Sales promotion

REPORT RECOMMENDATIONS FOR CALENDAR YEAR 2010

The BID Committee recommends the following for the calendar year 2010:

BID BOUNDARIES:

Recommendation to leave unchanged the boundaries as established by Ordinance No. 990.

BID ZONES:

Recommendation to change the Zones as follows:

- Combine Zones 1 and 2 and rename to Zone 1.
- Combine Zones 3 and 4 and rename to Zone 2.

(refer to Exhibit D proposed zones)

BID ASSESSMENT FEES:

Recommendation to assess a \$100.00 fee be collected for each business license issued within the zone boundaries for the calendar year 2010.

The fees assessed and collected will be used for the following activities:

- Marketing and promotional activities, including but not limited to 6 major public events to include advertising, entertainment, and general promotion of the Business Improvement District;
- Development and maintenance of a website and newsletter to promote the Business Improvement District;
- Maintenance activities;
- Traffic analysis;
- Security including and not limited to code enforcement activities;
- Decoration of any public place in the area.

The estimate to provide the activities and improvements proposed is \$80,000.00 for the calendar year 2010. The amount to be carried over from calendar year 2009 to the new calendar year 2010 is estimated to be \$53,000.00 which includes amounts from other sources such as fees paid for booth rentals, promotional sponsorships, in-kind sponsorships, and Callexico Redevelopment Agency financial assistance provided.

Estimated amount to be collected in assessments is twenty seven thousand five hundred (\$27,500.00). The assessment is calculated on 275 business licenses at \$100.00 each.

The total amount estimated to be available for BID activities is \$80,500.00 for the calendar year 2010.

RESOLUTION OF INTENT

The BID Committee recommends the City Council adopt the Resolution (Exhibit A) accepting the annual BID report and the Council's intent to levy an annual assessment for the Business Improvement District and direct the City Clerk to schedule a Public Hearing for December 1, 2009 to consider levying the assessment.

RECOMMENDATIONS:

Adopt the Resolution of the City Council of the City of Calexico approving the 2010 Annual Report of the Business Improvement District and declaring the Council's intention to levy an annual assessment for the Business Improvement District for calendar year 2010 and directing the City Clerk to schedule a public hearing for December 1, 2009 to consider levying the assessment.

Attachments

- Exhibit A: Resolution of Intent
- Exhibit B: Ordinance No. 990
- Exhibit C: BID Zone Map – current
- Exhibit D: BID Zone Map – proposed

EXHIBIT “A”

RESOLUTION FOR

PUBLIC HEARING

OF NOVEMBER 17, 2009

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALEXICO APPROVING
THE 2010 ANNUAL REPORT OF THE BUSINESS IMPROVEMENT DISTRICT AND
DECLARING COUNCIL'S INTENTION TO LEVY AN ANNUAL ASSESSMENT
FOR THE BUSINESS IMPROVEMENT DISTRICT FOR CALENDAR YEAR 2010 AND
DIRECTING THE CITY CLERK TO SCHEDULE A PUBLIC HEARING FOR
NOVEMBER 17, 2009
TO CONSIDER LEVYING THE ASSESSMENT**

BE IT RESOLVED by the Council of the City of Calexico as follows:

WHEREAS the Parking and Business Improvement Area Law of 1989 (California Streets and Highway Code Section 36500 et seq.) authorizes cities to establish parking and business improvement areas for the purpose of imposing assessments on businesses for certain purposes; and

WHEREAS on February 15, 2000, the Calexico City Council established the Business Improvement District (the District) by the adoption of Ordinance No. 990; and

WHEREAS the Board has submitted an Annual Report to Council that outlines the activities of the District proposed for calendar year 2010 as required by the California Streets and Highways Code Section 36533; and

WHEREAS the Annual Report is clear, complete and found to comply with the interests of the District assesses and contains the information required by California Streets and Highways Code Section 36533; and

WHEREAS the California Streets and Highways Code Sections 36534 and 36535 require that in order to levy an assessment, the City must adopt a Resolution of Intent that declares their intent to levy such assessment and then set a date for a public hearing where interested parties may be heard on the issue.

NOW, THEREFORE IT IS HEREBY RESOLVED that:

SECTION 1. The City Council hereby approves the 2010 Annual Report of the Business Improvement District as submitted to the City Clerk by the Business Improvement District Board.

SECTION 2. The boundaries of the Business Improvement District are described in the Calexico Ordinance No. 990 and displayed on the boundary map included in the submitted Annual Report. Generally, the District bounded by Birch Street/Highway 98 on the north, the alleyway between Harold Ave. and Emerson Ave on the west, follows the railway tracks south to the international border. The international border is the southern boundary to Mary Ave, north on Mary Avenue to Fourth and Fifth Streets, and west to Paulin Ave. The western boundary is Paulin Ave. to Birch Street. No changes to the District boundaries are proposed in the 2010 Annual Report

SECTION 3. The following changes are proposed by the BID Advisory Board for calendar year 2010:

1. **ZONES:** Combine Zones 1 and 2 and rename Zone 1; Combine Zone 3 and 4 and rename Zone 2.
2. **ASSESSMENT FEES:** Recommendation to assess \$100.00 for each business license issued within the zone boundaries for the calendar year 2010.

The fees assessed and collected will be used for the following activities:

- Marketing and promotional activities, including but not limited to 6 major public events to include advertising, entertainment, and general promotion of the Business Improvement District;
- Development and maintenance of a website and newsletter to promote the Business Improvement District;
- Maintenance activities;
- Traffic analysis;
- Security including and not limited to code enforcement activities;
- Decoration of any public place in the area.

SECTION 4. Pursuant to the provisions of Section 36500 et seq. of the California Streets and Highways Code, City Council declares its intent to levy and collect an annual assessment for the Business Improvement District for calendar year 2010.

SECTION 5. The authorized uses for the revenues derived from the assessment are stated in Calexico Ordinance No. 990, and changes and or additions to these uses are proposed in the 2010 Annual Report. The authorized uses as stated in Calexico Ordinance No. 990 are:

- (1) The acquisition, construction or maintenance of parking facilities for the benefit of the area;
- (2) Decoration of any public place in the area;
- (3) Promotion of public events occurring in the area;
- (4) Furnish music in any public place in the area;
- (5) General promotion of trade activities in the area;

SECTION 6. A full and detailed description of the improvements and activities to be provided in calendar year 2010, the boundaries of the area and the proposed assessments to be levied upon the businesses within the area, and any change in the amount of the assessment are contained within the 2010 Annual Report of the Business Improvement District filed with the City Clerk by the Business Improvement District Board.

SECTION 7. A public hearing shall be held before the City Council on December 1, 2009 in the Council Chambers, 608 Heber Avenue, Calexico, California, 92231. Following the hearing, Council will consider adoption of a resolution levying the assessment as recommended by the Business Improvement District Advisory Board. At this hearing, Council will hear all

interested persons and protests may be made orally or in writing. Written protests shall be filed with the City Clerk at or before the hearing. A written protest may be withdrawn in writing at any time before the conclusion of the public hearing. Any protest pertaining to the regularity or sufficiency of the proceedings shall be in writing and shall clearly set forth the irregularity or defect to which the objection is made. Council may correct minor defects in the proceedings during the hearing. If written protests against the assessment are received from business owners that will pay fifty percent or more of the proposed assessment, no further proceedings to levy the assessment shall be taken for one year from the date of the finding of a majority protest by Council. If the majority protest by business owners is against the furnishing of a specified improvement or activity within the District, those improvements or activities shall be eliminated. In order to be counted towards a majority protest, each written protest shall be from the business owner and contain a business description sufficient to identify the business. If the protesting person is not shown on the City's official business license records as owner of the business, the protest shall contain written evidence that the person is the business owner.

SECTION 7. The City Clerk is hereby directed to give notice of said hearing by causing the Resolution of Intention to be published once in a newspaper of general circulation in the City of Calexico not less than seven days before the public hearing.

PASSED, ADOPTED, AND APPROVED by the City Council of the City of Calexico at the regular meeting this 17th day of November, 2009.

DAVID OUZAN, Mayor

ATTEST:

LOURDES CORDOVA, City Clerk

APPROVED AS TO FORM:

JENNIFER M. LYON, City Attorney

STATE OF CALIFORNIA)
CITY OF CALEXICO) ss.
COUNTY OF IMPERIAL)

I, LOURDES CORDOVA, City Clerk of the City of Calexico, do hereby certify under the penalty of perjury, that the foregoing Resolution No. _____, was duly adopted by the City Council at a meeting of said City Council held on the 17th day of November, 2009, and that it was so adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

LOURDES CORDOVA, City Clerk
City of Calexico

EXHIBIT “B”

ORDINANCE NO. 990

ORDINANCE NO. 990

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CALEXICO ESTABLISHING THE CALEXICO BUSINESS IMPROVEMENT DISTRICT PURSUANT TO THE PARKING AND BUSINESS IMPROVEMENT AREA LAW OF 1989 AND LEVYING AN ASSESSMENT AND CHARGE THEREIN FOR UPGRADING AND PROMOTING THE AREA.

WHEREAS, under and pursuant to the provisions of the Parking and Business Improvement Area Law of 1989, codified as California Streets and Highways Code Section 36500 et seq. (the "Law"), this Council on 12/14/99, adopted Resolution No. R-99-55 declaring an intention to form a parking and business improvement area to be known as the Calexico Business Improvement District, providing for the levy of an assessment and charge to be imposed herein fixing the time and place for hearing and giving notice thereof, and

WHEREAS, Resolution No. R-99-55 was duly published, and copies thereof were mailed, as provided by law, and

WHEREAS, as specified in Resolution No. R-99-55, hearings concerning the formation of the area were held before this Council in the Council Chambers of the City Administration Building, 608 Heber Avenue, Calexico, CA 92231, and

WHEREAS, at the hearings, all protest, both written and oral, made or filed, were considered and duly overruled and denied and this Council determined that there was no majority protest within this meaning of Section 36523 of the Law.

NOW, THEREFORE BE IT ORDAINED, by the Council of the City of Calexico, as follows:

Section 1. Pursuant to the Law, a parking business improvement area is hereby established, to be known as the Calexico Business Improvement District, herein called "District". The area to be included in the District includes the Downtown and Imperial Avenue Corridor Business Community described as follows:

Description of Categories and Benefit

All business located within the boundaries of the District shall be subject to an annual assessment to be collected at the same time and in the same manner as Business Tax License fees. The term "Business" encompasses all businesses holding a Business License Certificate. In addition, State-regulated-and-licensed institutions such as insurance companies, banks, savings-and-loans, and credit unions located within the District will also be subject to the assessment. It must be noted, however, that local agencies have no means of enforcement to collect assessments from State-regulated business and, therefore, payment of assessments is voluntary for such businesses.

The proposed District consists of four zones. The zones are differentiated by the perceived benefit each zone is likely to receive from the activities of the BID. Zone 1 is considered the core area of the District. It is bounded by the north/south-aligned alleyway between Imperial Avenue and Paulin Avenue on the west, by the east/west-aligned alleyway between Second Street and Third Street on the north (eastward until Mary Avenue), Mary Avenue on the east, and the international border to the south.

Zone 2 is comprised of businesses with frontage along the east/west-aligned Third Street and Fourth Street generally between Paulin Avenue and Mary Avenue as well as businesses located along the intersection thoroughfares of Paulin Avenue, Rockwood Avenue, Heffernan Avenue and Heber Avenue.

Zone 3 consists mainly of business with frontage along the Imperial Avenue/State Highway 111 corridor extending from Birch Street on the north to First Street on the South.

Zone 4 consists of two separate areas on either side of Zone 3, described above. The zone includes businesses located along Emerson Avenue from Birch Street on the north, southerly to Second Street. Zone 4 also includes an area covering locations with frontage along the westerly side of Paulin Avenue from Birch Street on the north southerly to the midway point between Fifth Street and Fourth Street. The City anticipates that the areas contained in Zone 4 may have expanded commercial viability in the future.

Description of District Zones

The proposed Calexico Downtown Business Improvement District is generally bounded by Birch Street/Highway 98 on the north. The west boundary of the district is the alleyway between Harold Avenue and Emerson Avenue from Birch Street Southward until Sixth Street at which point the boundary extends westward and follows the railroad tracks southerly to the international border. The U.S./Mexico border is the district's southern boundary extending eastward to Mary Avenue. The eastern boundary of the district is from Mary Avenue northward to Fourth Avenue, west until Heber Avenue then northward to the east/west aligned alleyway between Fourth Street and Fifth Street, westward along the alleyway to Paulin Avenue and northward to Birch Street.

A map depicting the District is attached hereto as exhibit "A" and incorporated herein by reference.

Section 2. The purpose of forming the aforementioned District as parking and business improvement area under the aforementioned Business and Improvement Area Law is to provide revenue to defray the costs of services and programs which will benefit business in the area, including, but not limited to any of the following:

- A. The acquisition, construction, or maintenance of parking facilities for the benefit of the area.
- B. Decoration of any public place in the area.
- C. Promotion of public events which are to take place on or in public places in the area.
- D. Furnishing of music in any public place in the area.
- E. The general promotion of business activities in the area.

The specific services and programs to be provided are those listed in Exhibit "B" which is attached hereto and by this references made a part hereof, and the services and programs listed thereon are the use to which the revenue generated by the assessments to be levied will be put.

Section 3. All business operating in the above-described area will be assessed a share of the costs of the aforementioned services and programs according to the type of business and the benefits to be received as determined by the following:

Summary of Assessments

The assessment to be imposed for those District business by Zone and Category of Benefit are as follows:

The BID fees are proposed to be assessed based on two criteria: (1) the location of the business within any of the District's four zones: and (2) the type of business. The type of business is based upon retail sales classifications and data provided by the HdL Companies and Agency staff. For purposes of the proposed BID assessment levy, KMA subsequently aggregated the HdL sales classifications into four business categories as follows:

- **General Retailers:** Includes businesses classified as apparel stores, department stores, food and grocery stores, home furnishing and appliance outlets, drug stores, and specialty stores.
- **Restaurants:** Includes business classified as restaurants serving liquor, restaurants serving beer/wine, and fast food establishments.

- **Non-Retail/Service Providers:** Includes businesses providing services, automotive uses, or light industrial uses.
- **State Regulated Companies:** Includes banks, credit unions, insurance companies, and any other State-licensed companies.

The proposed fee structure is as follows:

	<u>Zone 1</u>	<u>Zone 2</u>	<u>Zone 3</u>	<u>Zone 4</u>
General Retailers	\$500	\$300	\$200	\$75
Restaurants	\$500	\$300	\$650	\$150
Non-Retail and Service Providers	\$400	\$250	\$175	\$50
State regulated Companies	\$1,000	\$700	\$450	\$200

The above described assessment is an annual charge and shall be levied, collected, and enforced on a quarterly basis, and with the same penalties and interest as in the case of the business tax certificate. For those businesses taxed for other than an annual tax period, the City Treasurer shall determine the assessment to be levied upon issuance of the City business tax certificate.

The total assessment collected from any business under the provisions of the ordinance shall not exceed \$1,000.00

The City may advance an amount not to exceed \$10,000.00 which will be reimbursed within nine (9) months of the establishment of the district.

Section 4. That the Council hereby finds and determines that the public convenience and necessity require the establishment of the area herein described and that all of the businesses lying within the area will be benefited by the expenditure of the funds raised by the assessments or charges proposed to be levied.

Section 5. That all protests, both written and oral, are overruled and denied and the Council finds that there is not a majority protests within the meaning of Section 36523 of the Law.

Section 6. That all of the business in the area established by this ordinance shall be subject to any amendments to the provisions of the Parking and Business Improvement Area Law of 1989, codified as California Streets and Highways Code Section 36500 et seq.

Section 7. That all of the assessments imposed pursuant to this ordinance be reviewed by the Council annually.

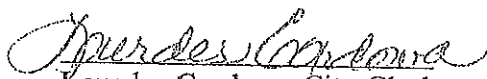
Section 8. That this ordinance shall take effect and be in force on February 15, 2000, and no business tax certificate for commercial activities inconsistent with the provisions of this ordinance shall be issued unless application therefore was made prior to the date of adoption of this ordinance.

PASSED, APPROVED AND ADOPTED for first reading on January 18, 2000.
Second reading was approved on February 1, 2000.



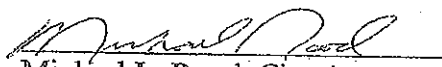
Gilbert B. Grijalva, Mayor

Attest:



Lourdes Cordova, City Clerk

Approved as to Form:



Michael L. Rood, City Attorney

State of California)
County of Imperial) ss
City of Calexico)

I, Lourdes Cordova, City Clerk of the City of Calexico, do hereby certify the above and foregoing Ordinance No. 990 was duly passed and adopted for first reading on January 18, 200 and for second reading on February 1, 2000 at regular Council meetings, by the following vote to-wit:

AYES: Carrillo, Grijalva, Alatorre, Renison
NOES: None
ABSENT: Rivera

SEAL


Lourdes Cordova, City Clerk

EXHIBIT “C”





CITY OF CALEXICO

CURRENT BUSINESS

IMPROVEMENT DISTRICT MAP

EXHIBIT "C"

CITY OF CALEXICO CURRENT BUSINESS IMPROVEMENT DISTRICT MAP

	ZONE	1
	ZONE	2
	ZONE	3
	ZONE	4

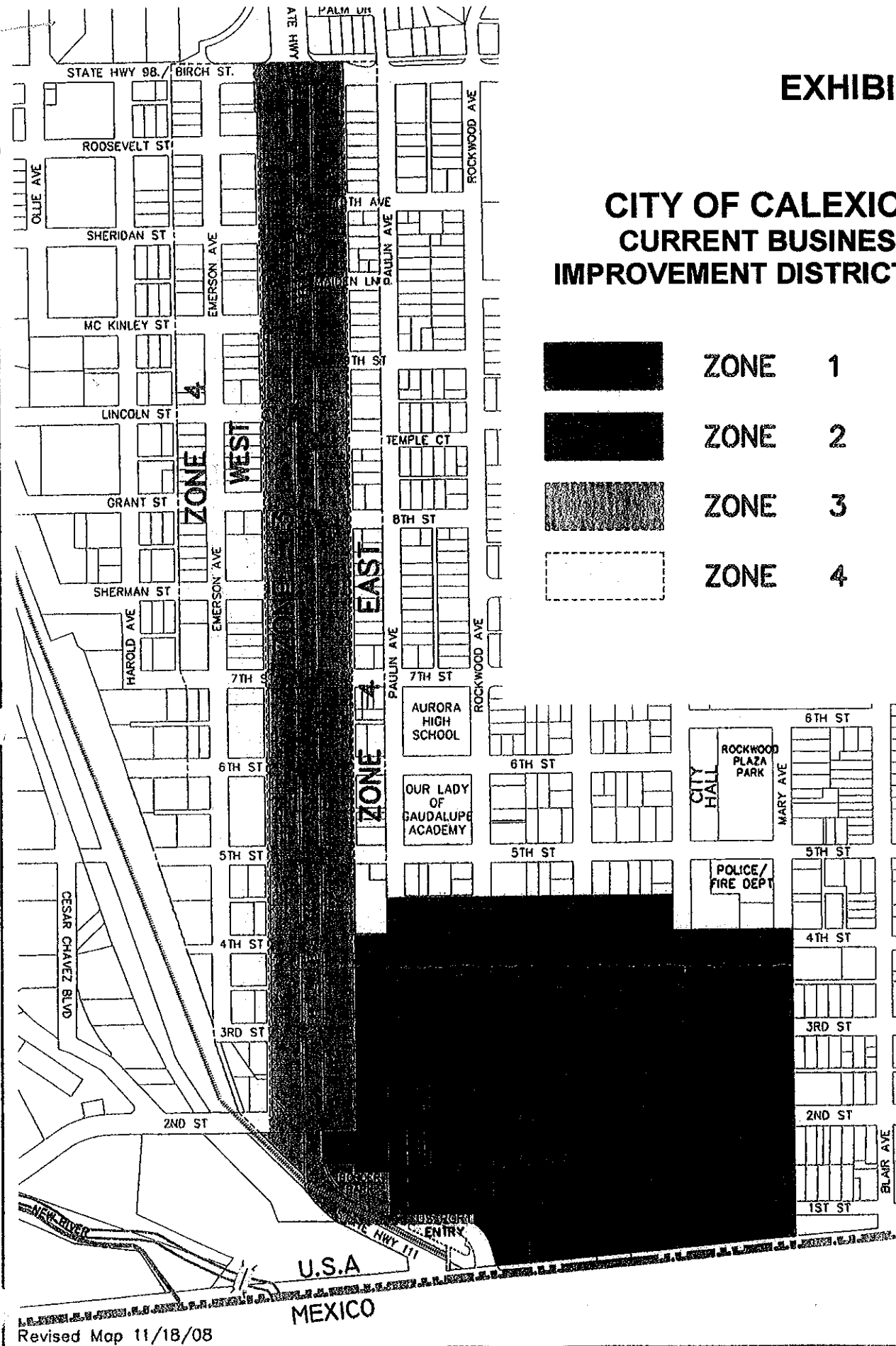


EXHIBIT “D”



CITY OF CALEXICO

PROPOSED BUSINESS

IMPROVEMENT DISTRICT MAP

EXHIBIT "D"

CITY OF CALEXICO PROPOSED BUSINESS IMPROVEMENT DISTRICT MAP

- | | |
|---|---------------|
|  | ZONE 1 |
|  | ZONE 2 |

